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Arizona Corporation Commission

DOCKETED

BEFORE THE ARIZONA CORPORATION COMMISSION P 4: 59

JAN 2 8 2003

BOOKETED S.

JEFF HATCH-MILLER Commissioner

MIKE GLEASON

IN THE MATTER OF THE APPLICATION)
OF THE ARIZONA ELECTRIC DIVISION)
OF CITIZENS COMMUNICATIONS
OMBANY TO CHANGE THE CURRENT)

COMPANY TO CHANGE THE CURRENT PURCHASED POWER AND FUEL

ADJUSTMENT CLAUSE RATE, TO ESTABLISH A NEW PURCHASED

POWER AND FUEL ADJUSTMENT CLAUSE BANK, AND TO REQUEST APPROVED GUIDELINES FOR THE

RECOVERY OF COSTS INCURRED IN CONNECTION WITH THE ENERGY

RISK MANAGEMENT INITIATIVES.

IN THE MATTER OF THE APPLICATION OF CITIZENS COMMUNICATIONS COMPANY, ARIZONA GAS DIVISION,

FOR A HEARING TO DETERMINE THE FAIR VALUE OF ITS PROPERTIES FOR

RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RATE OF

RETURN THEREON, AND TO APPROVE RATE SCHEDULES DESIGNED TO

PROVED SUCH RATE OF RETURN.

DOCKET NO. E-01032C-00-0751

DOCKET NO. G-01032¢-02-0598

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DOCKET NO. E-01933A-02-0914 DOCKET NO. E-01032C-02-0914 DOCKET NO. G-01032A-02-0914

IN THE MATTER OF THE JOINT
APPLICATION OF CITIZENS
COMMUNICATIONS COMPANY AND
UNISOURCE ENERGY CORPORATION
FOR THE APPROVAL OF THE SALE OF
CERTAIN ELECTRIC UTILITY AND
GAS UTILITY ASSETS IN ARIZONA,
THE TRANSFER OF CERTAIN
CERTIFICATES OF CONVENIENCE
AND NECESSITY FROM CITIZENS
COMMUNICATIONS COMPANY TO
UNISOURCE ENERGY CORPORATION,
THE APPROVAL OF THE FINANCING
FOR THE TRANSACTIONS AND OTHER
RELATED MATTERS.

## RESPONSE TO APPLICATION FOR LEAVE TO INTERVENE

UniSource Energy Corporation, on behalf of itself, Tucson Electric Power Company and UniSource's designated affiliate or affiliates, and Citizens Communications Company (collectively, "Joint Applicants") submit this Response to the Application for Leave to Intervene filed by Southwest Gas Corporation ("Southwest").

Joint Applicants strongly believe that all parties with a sufficient interest to meet the standards of A.A.C. R14-3-105 should be granted intervention in this matter. However, Southwest has not stated such an interest in its Application for Leave to Intervene. Instead, Southwest relies upon its interest in "Commission policies and precedent regarding the acquisition and sale of utility assets, such as ratemaking treatment in particular" as its sole reason for intervention.

Although Joint Applicants understand Southwest's need to monitor this proceeding and would be willing to provide Southwest with copies of all public filings in this docket to ease the burden of doing so, the stated basis for intervention does not provide Southwest with a direct and substantial interest in this proceeding. *See* A.A.C. R14-3-105.A. Accordingly, a formal intervention by Southwest could unduly broaden the issues in this proceeding and could lead to unwarranted delays. *See* A.A.C. R14-3-105.B.



For the foregoing reasons, Southwest's Application for Leave to Intervene should be denied.

By

LEWIS AND ROCA LLP

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DATED this 22nd day of January, 2003.

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Thomas H. Campbell Michael T. Hallam 40 N. Central Avenue Phoenix, Arizona 85004 Attorneys for Joint Applicants

ORIGINAL AND twenty-one (21) copies of the foregoing hand-delivered this 22nd day of January, 2003, to:

Arizona Corporation Commission Utilities Division – Docket Control 1200 W. Washington Street Phoenix, Arizona 85007

COPY of the foregoing hand-delivered this 22nd day of January, 2003, to:

Lisa A. Vandenberg Legal Division Arizona Corporation Commission 1200 W. Washington Street Phoenix, Arizona 85007

Jason Gellman

Dwight D. Nodes Assistant Chief Administrative Law Judge Arizona Corporation Commission 1200 W. Washington Street Phoenix, Arizona 85007

Ernest Johnson, Director Utilities Division Arizona Corporation Commission 1200 W. Washington Street

Phoenix, Arizona 85007



LAWYERS 1 COPY of the foregoing sent by mail this 22nd day of January, 2003, 2 to: 3 Andrew W. Bettwy Assistant General Counsel 4 Southwest Gas Corporation 5 5241 Spring Mountain Road Las Vegas, Nevada 89150 6 Scott Wakefield 7 Daniel W. Pozefsky RUCO 8 **Suite 1200** 2828 N. Central Avenue 9 Phoenix, Arizona 85004 10 Walter Meek, Esq. Arizona Utility Investors Association 11 Suite 210 2100 N. Central Avenue 12 Phoenix, Arizona 85004 13 Christine Nelson John White 14 Deputy County Attorney P.O. Box 7000 15 Kingman, Arizona 86402-7000 Thomas Mumaw, Esq. Pinnacle West Capital Corporation 400 N. Fifth Street 16 17 Phoenix, Arizona 85072-3999 18 Susan Mikes Doherty John D. Draghi Huber Lawrence & Abell 605 3<sup>rd</sup> Avenue New York, New York 10158 19 20 21

Marshall Magruder 22 P.O. Box 1267

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Tubac, Arizona 85646

Robert J. Metli Cheifetz & Jannitelli, P.C. 3238 N. 16<sup>th</sup> Street Phoenix, Arizona 85016 24 25

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Jose L. Machado City Attorney, City of Nogales 777 N. Grand Avenue Nogales, Arizona 85621

Holly J. Hawn
Martha S. Chase
Santa Cruz County Attorney
2150 N. Congress Drive
Suite 201
Nogales, Arizona 85621

Vincent Nitido
Tucson Electric Power
One S. Church Avenue
Suite 1820
Tucson, Arizona 85701

Deborah Scott
Associate General Counsel
Citizens Communications Company
2901 N. Central Avenue
Suite 1660
Phoenix, Arizona 85012-2736

Jayroe Williams